

Fiscal Service, Treasury

§ 321.11

(g) If the security bears a material irregularity, such as an illegible, incomplete or unauthorized inscription, issue date, or issuing agent's validating data, or if any essential part of the security appears to have been altered or is mutilated or defaced in such a manner as to create doubt or arouse suspicion.

(h) If the security is registered in the name of a corporation, association, partnership, or other organization in its own right.

(i) If Treasury regulations require the submission of documentary evidence to support the redemption, except as provided in §321.7 (d) or (f) of this part, as in the case of incompetents, minors under legal guardianship, or the change of a registrant's name other than by marriage.

(j) If the presenter is a minor who, in the opinion of the agent, is not of sufficient competency and understanding to sign the request for payment and comprehend the nature of the act.

(k) If it is known to the agent that the presenter has been legally declared incompetent to manage his or her affairs.

(l) If partial redemption is requested.

[53 FR 37511, Sept. 26, 1988, as amended at 55 FR 35396, Aug. 29, 1990; 63 FR 38042, July 14, 1998; 68 FR 2666, Jan. 17, 2003; 68 FR 7427, Feb. 14, 2003]

§ 321.10 Responsibilities of paying agents.

(a) *Payment of securities.* A paying agent is required to redeem eligible securities during its regular business hours for any presenter, whether or not a customer, who can establish his or her identity as the owner or co-owner named on the securities, in accordance with the provisions of this part, and the appendix to this part, and the Treasury Identification Guide for Cashing United States Savings Bonds. An agent is encouraged, but is not required, to redeem eligible securities during its regular business hours for a surviving beneficiary, a legal representative designated in the registration of securities presented, or a legal representative of the last deceased registrant's estate who can provide acceptable evidence (see §321.7 (d) or (f))

and establish identity in accordance with this part.

(b) *Restrictions.* A paying agent shall not advance money, make loans on, or discount the redemption value of securities, nor in any manner assist others to do so. An agent shall not pay a presenter the current value of a security and then defer presentation to the Treasury for the purpose of obtaining for its own profit an increased value.

[53 FR 37511, Sept. 26, 1988, as amended at 55 FR 35396, Aug. 29, 1990]

Subpart D—Payment and Transmittal of Securities

§ 321.11 Payment.

(a) *Examination.* Before making a payment of a security, a paying agent shall examine the security to determine that it is eligible for redemption and is one the agent is authorized to pay under the provisions of this part.

(b) *Identification and evidence of entitlement.* The agent shall determine that the presenter of the security is entitled to request payment, as provided in §321.7 of this part. Unless the presenter is a person whose identity is well-known to the agent or is an established customer, he or she should be asked to furnish satisfactory identification in accordance with the Treasury instructions and guidelines. At the time of payment, the agent should make a notation on the back of the security, or in its own records, specifying precisely what was relied on to establish the presenter's identity.

(c) *Evidence—Payment to a beneficiary.* The agent shall determine that the presenter of the security as beneficiary is entitled to request payment, as provided in §321.7(d). In addition to establishing the presenter's identification, as required by paragraph (b) of this section, the agent shall require presentation of the owner's death certificate in accordance with this part and the appendix.

(d) *Evidence—Payment to a legal representative of the last deceased registrant's estate.* The agent shall determine whether the legal representative is entitled to request payment, as provided in §321.7(f). In addition to establishing the presenter's identification,